

RESOLUTION NO. 87-96

RESOLUTION AWARDING BIDS ON CERTAIN OIL AND GAS LEASES  
ON PROPERTY LOCATED IN THE AREA OF THE  
WHITE SLOUGH WATER POLLUTION CONTROL PLANT

WHEREAS, on June 3, 1987 the City Council of the City of Lodi adopted Resolution No. 87-60 "A Resolution of the City Council of the City of Lodi Declaring Its Intention to Call for Bids for a Certain Oil and Gas Lease and Making Findings in Connection Therewith";

WHEREAS, pursuant to Resolution No. 87-60, the City Clerk published the subject resolution in both the "Lodi News Sentinel" and the "Stockton Record", newspapers of general circulation published and printed in the city and county where the property is situated;

WHEREAS, pursuant to Resolution No. 87-60, the City Clerk did receive and open the following bids at the July 15, 1987 council meeting:

Bid 1

NGC Energy Company  
2320 Courage Drive  
Suite 110  
Fairfield, CA 94523

Parcel 1	390 acres at \$20.00 per acre (first years rental)	\$7,800.00
	Cash bonus	\$4,095.00
		<u>\$11,895.00</u>

(Check received in the amount of  
\$11,895.00 which includes the  
1st years rental and cash bonus)

One-sixth (1/6th) royalty

Term of lease shall be for three (3)  
years and for such longer period  
(not to exceed 35 years) during  
which oil, gas and other hydrocarbon  
substances shall be produced from  
said leased land, or lands, with  
with which the leased land may be  
pooled.

Bid 2

Sun Exploration and Production  
2151 Alessandro  
Suite 190  
Ventura, CA 93001

Parcel 2	137 acres at \$20.00 per acre (first years rental)	\$2,740.00
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Cash bonus	\$ 685.00
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\$3,425.00

(Check received in the amount  
of \$3,425.00 which includes  
the 1st years rental and cash  
bonus)

One-sixth (1/6th) royalty

Term of lease shall be for three (3)  
years and for such longer period  
(not to exceed 35 years) during  
which oil, gas and other hydrocarbon  
substances shall be produced from  
said leased land, or lands, with  
with which the leased land may be  
pooled.

WHEREAS, Resolution No. 87-60 provides that bids may be submitted  
on either Parcel 1 (390 acres +) or Parcel 2 (137 acres +) or may  
be submitted on Parcels 1 and 2 combined (527 acres +)

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of  
Lodi that the award of bid on certain oil and gas leases on property  
located in the area of the White Slough Water Pollution Control Plant  
shall be made to NGC Energy Company on Parcel 1 and the Sun Exploration  
and Production Company on Parcel 2 as heretofore set forth.

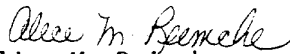
Dated: August 5, 1987

I hereby certify that Resolution No. 87-96 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 5, 1987 by the following vote:

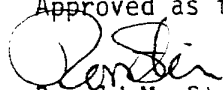
Ayes: Council Members - Olson, Snider and Reid

Noes: Council Members - None

Absent: Council Members - Hinchman and Pinkerton

  
Alice M. Reimche  
City Clerk

Approved as to form

  
Ronald M. Stein  
City Attorney